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UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

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*Ex parte* MARK D. ACKERMAN and STEPHEN R. CARTER

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Appeal 2009-004460  
Application 09/973,664  
Technology Center 3600

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Decided: August 18, 2009

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*Before* HUBERT C. LORIN, ANTON W. FETTING, and  
BIBHU R. MOHANTY, *Administrative Patent Judges*.

LORIN, *Administrative Patent Judge*.

DECISION ON APPEAL

## STATEMENT OF THE CASE

Mark D. Ackerman et al. (Appellants) seek our review under 35 U.S.C. § 134 of the final rejection of claims 15-21. We have jurisdiction under 35 U.S.C. § 6(b) (2002).

## SUMMARY OF DECISION

We REVERSE.<sup>1</sup>

## THE INVENTION

The invention is a method which allows only licensed software commands to execute on a customer's computer system. Specification 3:14-20.

Claim 15, reproduced below, is illustrative of the subject matter on appeal.

15. A method for licensing external processes on a server comprising the steps of:

generating an electronic license, wherein the electronic license is generated by formatting a customer order for a software product in accordance with a licensing schema and the formatted electronic license to include a plurality of software command directives embedded within the formatted electronic license to indicate whether a particular software command directive associated with a particular feature of the software product is to be accepted for registration or rejected for

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<sup>1</sup> Our decision will make reference to the Appellants' Appeal Brief ("App. Br.," filed Apr. 14, 2008) and Reply Brief ("Reply Br.," filed Nov. 11, 2008), and the Examiner's Answer ("Answer," mailed Jul. 10, 2008).

registration, and wherein each software command directive includes a command name associated with a particular software command or operation of the software product and an inclusion or exclusion identifier for indicating the acceptance or rejection of registration for that particular software command or operation within the software product, and wherein at least one software command for the software product is associated with the exclusion identifier; and  
registering selective ones of the software commands in response to the software command directives and their inclusion and exclusion identifiers; and  
executing the registered commands.

## THE REJECTION

The Examiner relies upon the following as evidence of unpatentability:

Biddle	US 2002/0107809 A1	Aug. 8, 2002
Clement	US 7,203,703 B2	Apr. 10, 2007

The following rejection is before us for review:

1. Claims 15-21 are rejected under 35 U.S.C. §103(a) as being unpatentable over Biddle and Clement.

## ARGUMENTS

*The rejection of claims 15-21 under §103(a) as being unpatentable over Biddle and Clement.*

The Appellants argue that the Examiner has not established a prima facie showing of obviousness since the cited portion of Clement teaches using a search string, with Boolean operators to search a database and not inclusion and exclusion identifiers as recited in the method of claim 15.

App. Br. 13. Further, the Appellants argue that claim 15 recites more than just the generic use of inclusion and exclusion identifier, but a method with a specific use of inclusion and exclusion identifiers. Reply Br. 2.

The Examiner maintains that modifying Biddle to include an inclusion and/or exclusion identifier as taught in Clement is obvious. Ans. 5-6.

### ISSUE

The issue is whether one of ordinary skill in the art would have been led by Biddle and Clement to a method including: 1) a step of generating an electronic license that includes software command directives that, in turn include, an inclusion or exclusion identifier, wherein at least one software command is associated with an exclusion identifier, and 2) a step of registering a selective one of the software commands in response to the software command directives and their inclusion and exclusion identifiers.

### FINDINGS OF FACT

We find that the following enumerated findings of fact (FF) are supported by at least a preponderance of the evidence. *Ethicon, Inc. v. Quigg*, 849 F.2d 1422, 1427 (Fed. Cir. 1988) (explaining the general evidentiary standard for proceedings before the Office).

#### *Claim construction*

1. Claim 15 recites a method including a step of generating an electronic license,  
  
wherein each software command directive includes a command name associated with a particular software command or operation of the software product and an inclusion or exclusion identifier for indicating the acceptance or rejection of registration for that particular software command or operation within the software

product and wherein at least one software command for the software product is associated with the exclusion identifier.

2. Claim 15 also recites a step of “registering selective ones of the software commands in response to the software command directives and their inclusion and exclusion identifiers.”

*The scope and content of the prior art*

Biddle

3. Biddle describes a method of managing licenses. Biddle [0002].
4. Biddle describes a customer ordering a license to previously downloaded software, including selecting options and levels. Biddle [0117].
5. Biddle describes that after ordering a license, a license file is created and downloaded to the customer’s computer. Biddle [0119].
6. Biddle describes that the license file can contain information such as application, name of the product, product number, license type, expiration date, options, level, version ID, and a digital signature. Biddle [0098].
7. Biddle describes that a license monitor checks for a license before the software can execute. Biddle [0093] and [0099].

Clement

8. Clement describes an apparatus that provides on the job performance support with access to work or job procedures through a network. Col. 3, ll. 20-34.
9. Clement describes storing performance support data in one or more databases. Col. 4, ll. 3-7.

10. Column 9, lines 46-53 of Clement states:

10. "Search" upon activation of the Search Virtual Button 92

The search capability allows the user to search Workplace Assistant<sup>TM</sup> for specific information contained within the performance support data stored in the memory. Preferably, the search can be conducted using key work techniques, including inclusion or exclusion of specific data strings, or by a unique procedure identifier identifying a procedure or a sub-procedure of a procedure.

*Any differences between the claimed subject matter and the prior art*

11. Biddle is silent as to whether the license file, that is generated when the customer orders the software, includes an inclusion or exclusion identifier.
12. Biddle is silent as to whether the software commands are registered in response to the inclusion and exclusion identifiers.
13. Clement does not describe a step of generating a license which includes generating a license with inclusion or exclusion identifiers.
14. Clement does not describe registering software commands, including registering software commands in response to their inclusion or exclusion identifier.

*The level of skill in the art*

15. Neither the Examiner nor the Appellants have addressed the level of ordinary skill in the pertinent art of licensing software and hardware in a computer system. We will therefore consider the cited prior art as representative of the level of ordinary skill in the art. *See Okajima v. Bourdeau*, 261 F.3d 1350, 1355 (Fed. Cir.

2001) (“[T]he absence of specific findings on the level of skill in the art does not give rise to reversible error ‘where the prior art itself reflects an appropriate level and a need for testimony is not shown’”) (Quoting *Litton Indus. Prods., Inc. v. Solid State Sys. Corp.*, 755 F.2d 158, 163 (Fed. Cir. 1985)).

*Secondary considerations*

16. There is no evidence on record of secondary considerations of non-obviousness for our consideration.

## PRINCIPLES OF LAW

*Obviousness*

Section 103 forbids issuance of a patent when ‘the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.’

*KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007). The question of obviousness is resolved on the basis of underlying factual determinations including (1) the scope and content of the prior art, (2) any differences between the claimed subject matter and the prior art, and (3) the level of skill in the art. *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966). *See also* *KSR*, 550 U.S. at 407. (“While the sequence of these questions might be reordered in any particular case, the [*Graham*] factors continue to define the inquiry that controls.”) The Court in *Graham* further noted that evidence of secondary considerations “might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented.” 383 U.S. at 17-18.



## ANALYSIS

*The rejection of claims 15-21 under §103(a) as being unpatentable over Biddle and Clement.*

We find that the Examiner has failed to establish a prima facie showing that one of ordinary skill in the art would have been led by Biddle and Clement to a method of licensing external processes including the step of generating an electronic license which includes software command directives which each include an inclusion identifier or exclusion identifier and the step of registering software commands in response to the inclusion and exclusion identifiers, as recited in claim 15 (FF 1-2).

The Supreme Court emphasized that “the principles laid down in *Graham* reaffirmed the ‘functional approach’ of *Hotchkiss*, [52 U.S. 248].” (citing *Graham*, 383 U.S. at 12 (emphasis added)), and reaffirmed principles based on its precedent that “[t]he combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results.” *KSR* at 1739. The operative question in this “functional approach” is “whether the improvement is more than the predictable use of prior art elements according to their established functions.” *KSR* at 415.

The Examiner asserts,

[i]t would have been obvious to modify Biddle to include an inclusion and/or exclusion identifier as taught in Clement in order to give the user and/or vendor the ability to modify the software license such that it is cost beneficial for both the user and the vendor as to what part of the software is to be used.

Ans. 4. However, the combination proposed by the Examiner is more than the predictable use of the inclusion or exclusion data strings in Clement

accordingly to their established functions. Clement teaches searching a database using key word searching, including inclusion or exclusion data strings. FF 9-10. Clement does not teach using the inclusion or exclusion data strings to generating a license that includes software commands each having an inclusion or exclusion identifier and registering the software command in response to the inclusion or exclusion identifier as recited in claim 15. FF 13-14. We find that one of ordinary skill in the art would not have been led by Biddle and Clement to the method of claim 15.

Accordingly, we find that the Appellants have shown that the Examiner erred in rejecting claim 15, and claims 16-21 dependent thereon, under 35 U.S.C. § 103(a) as unpatentable over Biddle and Clement by failing to establish a prima facie showing of obviousness.

Further, on page 6 of the Answer, the Examiner refers to the reference “Java, How to Program” for the first time. This reference was not included in the statement of the rejection. Therefore, we will not consider this reference in determining the propriety of the Examiner's rejection. *See In re Hoch*, 428 F.2d 1341, 1342 n.3 (CCPA 1970) (“[W]here a reference is relied on to support a rejection, whether or not in a ‘minor capacity,’ there would appear to be no excuse for not positively including that reference in the statement of the rejection.”). If the Examiner would like to rely upon this reference, the reference should be included in a rejection. *See* 37 CFR § 41.39 (2007).

## CONCLUSIONS OF LAW

We conclude that the Appellants have shown that the Examiner erred in rejecting claims 15-21 under 35 U.S.C. §103(a) as unpatentable over Biddle in view of Clement.

DECISION

The decision of the Examiner to reject claims 15-21 is reversed.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a)(1)(iv) (2007).

REVERSED

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